



# Waitaki

DISTRICT COUNCIL

TE KAUNIHERA Ā ROHE O WAITAKI

Notice of a meeting of the

## *Assets Committee*

in the

**Council Chamber, Third Floor, Waitaki District Council Headquarters,  
20 Thames Street, Oamaru**

**on Wednesday 7 June 2017**

### **MEMBERSHIP:**

Cr Kingan (Chair)	Mayor Kircher (ex Officio)
Cr Percival (Deputy chair)	Cr Dawson
Cr Garvan	Cr Hopkins
Cr Tavendale	Cr Wheeler

***In the interests of the environment and to help reduce photocopying costs,  
please bring your Committee agenda with you to the meeting***

# Assets Committee Meeting

Wednesday 7 June 2017

Council Headquarters, Council Chambers  
3<sup>rd</sup> Floor, 20 Thames Street, Oamaru

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- Declarations of Interest

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**Assets Committee:**

Cr Kingan (Chair)	Mayor Kircher (ex Officio)
Cr Percival (Deputy Chair)	Cr Dawson
Cr Garvan	Cr Hopkins
Cr Tavendale	Cr Wheeler

## Waitaki District Council

### Assets Committee

**Minutes of Assets Committee Meeting of the Waitaki District Council held in the Council Chamber, Council Headquarters, 20 Thames Street, Oamaru on Wednesday 26 April 2017 at 9am**

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**Present** Crs Kingan (Chair), Dawson, Garvan, Hopkins, Percival, Tavendale, Wheeler, Mayor Kircher

**Apologies**

**In Attendance** Cr Holding  
Cr Perkins  
Cr Wollstein  
Mr Ross (Chief Executive)  
Dr Cloete (Community Services Group Manager)  
Mr Jorgensen (Assets Group Manager)  
Mr Hope (Chief Financial Officer)  
Mr Roesler (Policy & Communications Manager)  
Mr Voss (Roading Manager)  
Mr Pacey (Water Services and Waste Manager) – from 9.20am  
Mrs Tanner (Policy Officer - Governance)

**Declarations of Interest**

There were no declarations of interest.

**1. Confirmation of Meeting Minutes**

RESOLVED  
AC17/014 Crs Hopkins/Tavendale  
"That the Assets Committee confirms meeting minutes for 15 March 2017 with amendments."

CARRIED

**2. Roading Maintenance Contract Effects**

To decide whether Council wishes to fund the levels of service contained within the new roading maintenance contract (Financial Years 2017/2020) as tendered.

RESOLVED  
AC17/015 Crs Hopkins/Dawson  
"The Assets Committee recommends that Council:  
1. Approves the additional annual expenditure of \$463k to meet the new road maintenance contract levels of service for the Annual Plan 2017/18 and into the Long Term Plan for 2018/2028 understanding that:  
a. 80k will be funded by existing depreciation funding.  
b. \$265k from NZTA and  
c. \$170k will be funded from increased rates funding.  
2. Includes an additional \$170k of rates to the 2017/18 Annual Plan budgets from 1 July 2017 onwards to fund the new maintenance contract with the impact to be considered as part of the Annual Plan debate."

CARRIED

Cr Garvan left the meeting at 9.18am and returned at 9.21am

### 3. Severn Street Wall Update

The purpose of this memorandum is to present information on the causes of the failure of a portion of the Severn Street wall.

RESOLVED

AC17/016

Mayor Kircher/Cr Tavendale

"The Assets Committee receives the information."

CARRIED

### 4. Oamaru Creek Bridge Replacement

It is proposed that the replacement structure to the recently deconstructed Oamaru Creek Bridge meets both the physical requirements for a cycle/pedestrian structure and provides an aesthetic addition to the waterfront area.

RESOLVED

AC17/017

Cr Tavendale/Mayor Kircher

"The Assets Committee recommends that Council:

1. Amend the budget for the construction of a timber bridge structure crossing the Oamaru Creek to \$112k, contingent upon NZTA co-investment funding being approved.
2. Commit to including a project to link the bridge into the cycleway network between the Harbourside cycleway and Waitaki Boys High to the 2018/28 Long Term Plan with a budget of \$430k, including NZTA co-investment.
3. Develop concepts for beautification of the bridge, consistent with the harbour area prior to tendering the works."

CARRIED

### 5. Road Stopping: Matheson and Golden Point Roads

To stop and dispose of unformed roads in the Waitaki District so that Oceana Gold Limited operations may continue.

RESOLVED

AC17/018

Crs Dawson/Hopkins

"The Assets Committee recommends that Council stops the unformed roads on Matheson and Golden Point Roads as described in the schedules and transfers the land to the adjoining owner Oceana Gold Limited."

CARRIED

### 6. Assets Group Activity Report

The purpose of this memorandum is to inform the Assets Committee about the activities of the Assets Group.

Members of the Richie McCaw Statue Project Committee including Bob Watherston (Chair), John Sturgeon, Peter Ellis and Jocelyn McIlwraith attended the meeting to outline the Richie McCaw Statue Project planned for Kurow. The Committee are working through many issues at present eg sponsorship, funding and naming rights. When details are finalised they will be made public.

Meeting adjourned at 10.08am and reconvened at 11.00am.

RESOLVED

AC17/019

Crs Hopkins/Dawson

"That the Assets Committee receives the information."

CARRIED

There being no further business the Chairman declared the meeting closed at 11.20am.

Confirmed on this day, Wednesday 7<sup>th</sup> June 2017 at Waitaki District Council Chambers, Oamaru.

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Chairman

# Assets Committee Memorandum

From Waster Services and Waste Manager

Date 7 June 2017

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## Response to the Havelock North Drinking Water Inquiry: Stage 1 Report

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### Recommendation

That the Assets Committee receives this information.

### Purpose

To update the Committee on the key findings from the Government's *Report of the Havelock North Drinking Water Inquiry: Stage 1* (publicly released 10 May 2017), and, within the context of the report findings, outline how Waitaki District Council protects the health of the Waitaki community through the effective management and operation of our drinking water supplies. In summary, this memorandum:

- Sets out the five key faults and failures on the part of Hastings District Council which contributed to the outbreak
- Reviews and outlines, in the context of these five key faults and failures, Waitaki District Council's approach to protecting the health of consumers on our water supplies

### Background

In August 2016, around 5,500 residents in the Hawkes Bay township of Havelock North became ill with campylobacteriosis following contamination of the township's drinking water supply. This comprised nearly 40 per cent its population.

As a result of the outbreak, 45 residents were hospitalised. It is also possible the outbreak contributed to three deaths, and an unknown number of residents continue to suffer health complications.

The outbreak was traced to contamination of the drinking water supplied by two bores located on the outskirts of Havelock North, and it raised serious concerns about the safety and security of New Zealand's Drinking Water.

In September 2016, the Government established an inquiry into the outbreak, which is proceeding in two stages. Stage 1 of the inquiry and the subsequent report - the subject of this memorandum - focuses on identifying what caused the outbreak and assessing the conduct of those responsible for providing safe drinking water to Havelock North. Stage 2 will address lessons learned for the future and steps to be implemented to reduce the likelihood of such an outbreak occurring again.

The Stage 1 report is broken down into historical events and issues leading up to the outbreak, findings on the source and pathway of contamination, causation of the contamination event, and the faults and failures of the various parties responsible for protecting public health through management and monitoring of the water supply and associated infrastructure. These parties include Hastings District Council, Hawkes Bay Regional Council, the regional Drinking Water Assessors, and MWH (water engineering and management consulting firm).

On 12 May, the Minister of Local Government, Anne Tolley, wrote to councils outlining her response to the report. In her letter (attached as *Appendix A*), she emphasises the importance of good practice in water supply management and urges all local authorities to review their current practices in light of the report's finding, both at an operational and strategic level.

### Key findings and Waitaki District Council's management and operational approach

The following five key faults and failings were identified in the inquiry report pertaining specifically to Hastings District Council's management of the water supply. For each of these, we have outlined Waitaki District Council's corresponding management and operational approach.

It is important to note the report states that the faults and failings of all parties involved, including the Hastings District Council, '*did not directly cause the outbreak, although a different outcome may have occurred in their absence*'.

Key report findings	Waitaki District Council's management/operational approach
<p><b>Failure to record, recognise and mitigate risk:</b></p> <p>The Hastings District Council (HDC) did not embrace or implement the high standard of care required of a public drinking-water supplier, particularly in light of its experience of a similar outbreak in 1998, and the significant history of transgressions (positive E.coli test results). As a consequence, it made key omissions, including in its assessment of risks to the drinking water supply, and it breached the Drinking-water Standards.</p>	<p>Unlike HDC, which the report noted had a '<i>misplaced confidence in the security of its source water</i>', WDC has never assumed its drinking water sources are 100% safe. Although we have a regular testing regime in place, this is not solely relied upon to protect the health of consumers. We also have barrier measures in place to prevent bacteria and protozoa entering the supply reticulation in the first instance, and then further manage the risk of bacterial contamination within the drinking water reticulation through ongoing or stand-by chlorination. <u>The status of current water supplies in Waitaki is included as Appendix 2.</u></p> <p>Council has a pre-agreed water sampling schedule with Public Health South to demonstrate compliance with the Drinking Water Standards (which is undertaken by Council's Regulatory Unit). In addition to sampling for compliance, operational sampling is undertaken by contractors on a daily basis across the supplies to ensure we can stay 'in front of' potential risk.</p> <p>All transgressions on the supplies are recorded, and trends are monitored by a designated member of the Water team. Transgression history and trends are accounted for in the Water Safety Plans for each of the supplies and have been used for prioritising water supply upgrades.</p> <p>The inquiry report notes it is good practice for councils to include water supply risk as an item on their Finance, Audit and Risk Committee agendas. This is currently not done at WDC and will be followed up by the Water Services and Waste Manager.</p>
<p><b>Lack of management supervision and planning:</b></p> <p>HDC's failings applied especially to its mid-level managers, who delegated tasks but did not adequately supervise or ensure their implementation. This caused unacceptable delays to the preparation of a Water Safety Plan, which was fundamental in addressing the risks of an outbreak of this nature.</p>	<p>WDC's Water Supply System Water Safety Plan for Oamaru is fully up to date, as required. Council also has current safety plans and procedures in place for other individual supplies throughout the district. There is a culture of personal accountability, trust and professionalism within WDC's Water team. Staff are empowered to employ trusted individual contractors to keep on top of high priority tasks and projects and minimise risk on the supplies.</p> <p>Although water supply plant operators are contracted rather than employed by WDC, they are managed directly by senior Council staff and have a strong sense of ownership in fulfilling their roles.</p> <p>The WDC Water Services and Waste Manager takes a hands-on approach to management and is immediately aware of any issues on the supplies as they arise. The manager visits the Oamaru water treatment plant regularly and communicates directly with operators.</p>

Key report findings	Waitaki District Council's management/operational approach
<p><b>Poor maintenance and accountability:</b> HDC did not properly manage the maintenance of plant equipment or keep records of that work; and it carried out little or no supervision of necessary follow-up work. Specifically, it was slow to obtain a report on bore head security, a key plank in source water security, and it did not promptly carry out recommended improvements.</p>	<p>All scheduled day-to-day maintenance on our water supplies is up to date. Due to resourcing limitations, some lower priority project works are outstanding. Because prioritisation of these project works is based on risk, this is not considered to be an issue of concern.</p> <p>Council has a detailed inspection and maintenance schedule for water supplies, which is managed through the Hansen asset management database. The database issues a reminder list for scheduled maintenance and the database administrator follows up on any outstanding scheduled works with the Water Services and Waste Manager and water engineers as required. In addition, the Drinking Water Assessors undertake implementation audits to ensure we are following our Water Safety Plans.</p> <p>One area officers are keen to continue addressing is the potential for contamination through backflow into the supply reticulation. Although the team has in recent years undertaken a programme of installing backflow devices at all high-risk premises, there is a need to continue more extensive installation of devices across the board. For this to proceed, clarification around resources and funding is required which will be the subject of a separate report.</p>
<p><b>Lack of collaboration:</b> There was a critical lack of collaboration and liaison between the Hawkes Bay Regional Council and HDC. The strained nature of this relationship, together with an absence of regular and meaningful co-operation, resulted in a number of missed opportunities that may have prevented the outbreak.</p>	<p>Council maintains good working relationships with both Otago and Canterbury regional councils, and the regional Drinking Water Assessors.</p> <p>In addition, we are part of a working group comprising Canterbury local authorities, formed within the last six months. This group is focused on clarifying roles, sharing information, and further improving processes and communication.</p> <p>Further collaboration with both Otago and Canterbury regional councils is necessary to ensure water supply protection areas are maintained to protect drinking water sources.</p>
<p><b>Lack of event preparedness:</b> Contingency planning by the HDC was lacking. They had no Contingency Plan (referred to in various contexts also as an Emergency Response Plan), draft boil water notices, or communications plans at the ready.</p>	<p>Within its water safety plans, Council has detailed contingency plans for emergency events on the water supply. These are used and followed during an event that has potential risk to public health, including supply failure and contamination. These plans have been developed for events when all other preventive measures and corrective actions fail.</p> <p>To support implementation of the plans, easy-to-follow process flow charts and boil water notice templates have been included. Boil water notices are issued via the radio, newspapers, Facebook and Council's website home page with support from Council's Communications Advisor and Website Administrator.</p> <p>Council keeps a list of contact details for 'critical consumers' for each water supply, who are contacted immediately and directly upon the issue of a boil water notice. Officers are also investigating options for more direct communication with a larger number affected consumers.</p>

## Conclusion

The Havelock North water supply contamination incident and outbreak of campylobacteriosis has been a timely reminder to suppliers of drinking water regarding the ever-present risks to public health and our ongoing role in ensuring this risk is minimised.

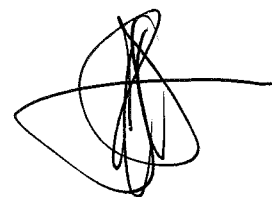
In particular, the inquiry highlights the importance of prioritising our 'bread and butter' work – that is, the day-to-day management and operation of our drinking water supplies.



It also highlights the value in having staff who take their role in protecting public health seriously and in ensuring they are able to undertake their day-to-day duties as effectively and efficiently as possible.

Overall, Waitaki District Council continues to take a responsible approach to managing the public health risk on its water supplies. We are fortunate to have a team of professional water engineers who are committed to delivering safe drinking water to our community. However, we also acknowledge there are valuable lessons to be learned from the Havelock North water supply contamination, and that steps can always be taken to improve on current practices and further reduce risk.

Martin Pacey  
**Water Services and Waste Manager**



Neil Jorgensen  
**Assets Group Manager**

**Attachments:**

- Appendix 1: Letter from Minister of Local Government
- Appendix 2: Current status of Waitaki drinking water supplies

## Appendix 1: Letter from Minister of Local Government



### Office of Hon Anne Tolley

MP for East Coast  
Minister for Social Development  
Minister for Children  
Minister of Local Government

12 May 2017

Michael Ross  
Waitaki District Council  
Private Bag 50058  
OAMARU 9444

Dear Mr Ross

I wanted to take the opportunity to write to you as you will be aware of the release of the Stage One report of the Government Inquiry into Havelock North Drinking-Water. I welcome this report and thank the Inquiry Panel for its thorough investigation.

It is vitally important that public drinking-water suppliers embrace high standards of care. The Stage One report has given us many helpful insights and points to note.

Although this stage was focused on the Havelock North area, I am urging all local authorities nation-wide to review their current practices in light of the report's findings, both at an operational and strategic level and where necessary make any required changes.

One of the identified failings was centred around organisational practice, behaviour and regular communication between all stakeholders. Examples of good practice identified in the report include:

- collaboration between territorial authorities, regional councils and drinking water assessors;
- regular planned inspection and maintenance of key drinking water assets;
- good governance oversight of water supply safety issues; and
- up to date emergency response plans.

As I know you are, I am committed to local government providing excellent services for our communities. I will be paying close attention to Stage Two, which will focus on the wider systems, lessons to be learned and provide recommendations for the future. That stage is due to be completed by 8 December 2017.

Yours sincerely

Hon Anne Tolley  
Minister of Local Government



cc: Mayor Gary Kircher

## Appendix 2: Current status of Waitaki drinking water supplies

Treatment at the water supply source is designed to act as a barrier to both bacteria (eg E.coli, campylobacter and salmonella) and protozoa (eg giardia, cryptosporidium). Examples of barrier treatment at the source include membrane or cartridge filtration and UV irradiation.

Chlorine can kill bacteria, but not protozoa (which can only be inactivated through barrier treatment or UV irradiation). Chlorine added to the water supply ensures some protection from bacteria in the reticulation, so if the water is contaminated after treatment at the source, about 30 minutes of contact time with chlorine disinfects the water adequately. This is why there is a minimum level of chlorine residual maintained in drinking water.

Water supply	Treatment and level of safety*	Comment
Oamaru (including Enfield, Weston and Kakanui)	<ul style="list-style-type: none"> <li>o Multiple barriers and chlorinated</li> <li>o Very safe</li> </ul>	Upgraded to meet the Drinking Water Standards in 2007
Waihemo (Including Palmerston, Goodwood and Dunback)	<ul style="list-style-type: none"> <li>o Multiple barriers and chlorinated</li> <li>o Very safe</li> </ul>	Upgraded to meet the Drinking Water Standards in 2014
Dunroon	<ul style="list-style-type: none"> <li>o Multiple barriers (UV and cartridge filtration) with stand-by chlorination available</li> <li>o Safe</li> </ul>	Upgraded to meet the Drinking Water Standards in 2015
Kurow	<ul style="list-style-type: none"> <li>o Bore, UV and chlorinated</li> <li>o Safe</li> </ul>	Upgraded to meet the Drinking Water Standards in 2013
Lower Waitaki	<ul style="list-style-type: none"> <li>o Bore, UV and chlorinated</li> <li>o Safe</li> </ul>	Upgraded to meet the Drinking Water Standards in 2012
Otematata	<ul style="list-style-type: none"> <li>o Bank filtration bore and UV, some risk of recontamination in the network, with stand-by chlorination available</li> <li>o Safe</li> </ul>	Final stage of upgrade will be completed in 2017 in order to fully meet the Drinking Water Standards
Hampden-Moeraki	<ul style="list-style-type: none"> <li>o River intake/bore and chlorinated</li> <li>o Some safety risk</li> </ul>	Will be connected to the Oamaru supply in 2018 in order to meet the Drinking Water Standards
Herbert-Waianakarua	<ul style="list-style-type: none"> <li>o River intake/bore and chlorinated</li> <li>o Some safety risk</li> </ul>	Will be connected to the Oamaru supply in 2018 in order to meet the Drinking Water Standards
Stoneburn	<ul style="list-style-type: none"> <li>o River intake/bore and chlorinated</li> <li>o Some safety risk</li> </ul>	Deemed to be Rural-Agricultural, with no upgrade requirement under the Drinking Water Standards
Omarama	<ul style="list-style-type: none"> <li>o River intake/bore and chlorinated</li> <li>o Some safety risk</li> </ul>	Will be upgraded 2017 in order to meet the Drinking Water Standards
Lake Ohau	<ul style="list-style-type: none"> <li>o Not chlorinated and on a permanent boil water notice</li> <li>o Not safe to drink as delivered</li> </ul>	Will be upgraded 2018 in order to meet the Drinking Water Standards
Bushey Creek	<ul style="list-style-type: none"> <li>o Not chlorinated and on a permanent boil water notice</li> <li>o Not safe to drink as delivered</li> </ul>	Deemed to be Rural-Agricultural, with no upgrade requirement under the Drinking Water Standards
Awahokomo	<ul style="list-style-type: none"> <li>o Not chlorinated and on a permanent boil water notice</li> <li>o Not safe to drink as delivered</li> </ul>	No upgrade requirement under the Drinking Water Standards
Managed by Corriedale Water Management Ltd: <ul style="list-style-type: none"> <li>o Awamoko</li> <li>o Kauru Hill</li> <li>o Tokarahi</li> <li>o Windsor</li> </ul>	<ul style="list-style-type: none"> <li>o Some safety risk (some filtration and chlorinated)</li> </ul>	The ongoing management of these supplies subject of a separate report, which outlines specific requirements that need to be met by CWML in order to reduce risk.

\*Safety risk categorization is a practical guide based on risks assessed by Officers with intimate working knowledge of the water supplies

# Assets Committee Report

From Water Services Manager

Date 7 June 2017

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## Corriedale Water Management Ltd (CWML) Options and Risk Assessment

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### Recommendations

The Assets Committee recommends that Council:

1. Require CWML to bring the supplies into full compliance with the Health (drinking-water) Amendment Act 2007 on or before 1 July 2017 by:
  - a. Obtaining certification from a qualified person of the correct operation of the existing liquid chlorination systems for the four supplies;
  - b. Installing gas chlorination systems at the four supplies should certification of the existing liquid chlorination systems not be possible.
  - c. Achieving a FAC (free available chlorine) of 0.6 or greater at the treatment plants of all supplies at all times.
2. Extend operational management of the four supplies by CWML for a period of five years providing Council is satisfied by 1 July 2017 that all immediate Public Health risks are addressed including the requirements of recommendation one.
3. Require CWML to gain approved Water Safety Plans for each of the four supplies no later than 31 December 2017.
4. Require that all Water Safety Plans include an upgrading pathway as is necessary to ensure each supply meets the requirements of the Drinking-water Standards for New Zealand.
5. Require CWML to undertake such upgrading as is necessary to meet the requirements of the Drinking-water Standards for New Zealand no later than 30 June 2022.
6. Require CWML to continue to address the identified MoU compliance short-comings no later than 1 July 2018.
7. At the completion of the five year period the operation of CWML be reviewed and that Council decide whether to continue with CWML or return to Council, or that CWML would seek a transfer of ownership of some or all the supplies.
8. Officers develop a performance monitoring plan with designated intervention points and contingencies should performance not be achieved by CWML.

### Objective of the Decision

To provide Elected Members information on possible management options and associated risks for the Awamoko, Tokarahi, Kauru Hill and Windsor community water supplies currently managed and operated by Corriedale Water Management Ltd (CWML).

Since the original 2013 Council resolution allowing the operational management of the supplies by CWML we have seen the impact and follow-on effects and costs of the Havelock North water borne illness outbreak. This outbreak does not alter the risk Council accepted in allowing CWML operational management, but it encourages all New Zealanders to focus on the importance of water supplies in keeping our communities safe.

### Summary

In December 2013, Council agreed that CWML would take over the operational management of the Awamoko, Tokarahi, Windsor and Kauru Hill water supplies. This arrangement is administered through a Memorandum of Understanding (MoU) between CWML and Council and was to initially be in place for two years after which a decision would be made to either continue with CWML or return to Council, or that CWML would seek a transfer of ownership of some or all the supplies.

To guide Council in deciding what action should be taken an assessment of the options, including a risk assessment, was carried out. This identified that CWML operation exposed Council and our community to multiple risks, the most significant of which is the risk of water borne illness. Returning the operation to Council significantly reduces these risks while transferring ownership isolates Council from responsibility but does not address risk for our community.

### Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	Key	Cultural Considerations	No
Significance	No	Social Considerations	Key
Financial Criteria	No	Economic Considerations	No
Community Views	Key	Community Board Views	No
Consultation	No	Publicity and Communication	No

### Background

The Awamoko, Kauru Hill, Tokarahi and Windsor community drinking-water supplies collectively provide drinking and stock water to a population of around 1,300 people, an area of some 50,000 hectares and have a combined asset replacement value of some \$8.7M. The Alps2Ocean cycle trail and North Otago Irrigation Company Ltd (NOIC) irrigation network cross through the areas of the four supplies and will alter the nature of the water supply user. Operational management of the four supplies is carried out by Corriedale Water Management Ltd (CWML) subject to the terms of a Memorandum of Understanding (MoU).

A key function of the water supplies is the provision of safe drinking-water. The widespread illness resulting from the Havelock North waterborne outbreak has returned sharp focus to the need for safe drinking-water supplies and the impact of the Government enquiry into the Havelock North outbreak currently unknown.

CWML performance was subject to two external reviews undertaken by Rationale Ltd. The reviews identified that CWML had made consistent progress towards meeting many of the MoU objectives and requirements, however Operational Maintenance, Public Health and Safety and Occupational Health and Safety lag. Review Two included a customer satisfaction survey that identified generally high satisfaction with CWML.

Council resolved that Officers undertake an options report (including a full risk assessment) of the CWML arrangement (resolution AC16/032).

### Risk Assessment

Two risk assessment methodologies were used; Water Safety Plan (WSP) risk assessment and Corporate Risk Assessment in accordance with Councils Risk Policy. The WSP risk assessment identified significant and serious drinking-water risks across all supply components with many arising from the poor management of the existing chlorination systems. Were these risks to eventuate we would expect illness in our community. The Corporate Risk Assessment also identified significant and serious risks in terms of service provision, trust and achievement of Councils Vision.

### Summary of Options Considered

As noted earlier in this report, Council identified three options it would consider implementing after the two-year MoU period; continue with CWML, or return to Council, or that CWML would seek a transfer of ownership of some or all the supplies

#### Option 1: Status Quo (Continue with CWML operation for five years)

Under this option, CWML would continue operational management of the supplies for a period of five years.

Consumers are, for the most part, satisfied with CWML. However, there remain significant areas of poor performance, elevated risk and what appears to be a lack of focus on drinking-water safety. These risks could, should they be realised, lead to reduced performance and deterioration of the asset set, lower service levels and illness in the community.

Council is the owner of the supplies and the drinking-water supplier under the Health (drinking-water) Amendment Act and as such bears primary responsibility for Health Act compliance and exercising good stewardship on behalf of our community.

This option is of sufficient duration as to be reasonable to expect CWML to make improvements in key areas such as public health risk reduction, operations and health and safety. Improvements in risk reduction could be expected.

At the conclusion of the five year period Council would need to reconsider the continued operational management of the supplies by CWML.

With additional controls this option could produce satisfactory results and is expected to be preferred by the CWML community. Controls would include WSPs, treatment upgrading, development of formal contracts with suppliers and contractors and improved health and safety processes.

This option is recommended providing Council is satisfied by 1 July 2017 that all immediate Public Health risks primarily stemming from the poor management of the existing chlorination systems is addressed.

**Option 2: Status Quo (Continue with CWML operation for one year)**

Under this option, CWML would continue operational management of the supplies for a period of one year.

This would allow Council the opportunity to further consider options with the added guidance that is expected from the Havelock North enquiry.

This option is a short-term version of Option 1 and as such could result in a reluctance from CWML to invest time and energy into addressing identified issues. Identified issues will probably lay unresolved and the current high level of risk would not be addressed.

This option is not recommended.

**Option 3: Transfer operational management of the supplies back to Council**

Under this option, Council would terminate the MoU with CWML and incorporate the operation and management of the supplies as for the balance of Council's community water supplies.

The immediate impact on drinking-water quality would likely be small although the risk of illness and corporate risk would be expected to reduce rapidly. Options to connect to the Oamaru supply become viable for Windsor and Kauru Hill. The supplies would fall within Councils established operational contract envelope and health and safety practises.

Council would be better able to influence operation and level of risk as is appropriate for Council's position as drinking-water supplier.

This option best protects public health, our community's investment in water infrastructure and best manages health and safety risks. However, CWML and the CWML community's satisfaction with any return to Council control could be low and significant criticism would not be unexpected. This is because it is often difficult for the community to understand drinking-water risk, even considering the highly publicised Havelock North water borne illness outbreak.

Although CWML are not fully meeting all the requirements of the MoU, they have made progress on their documentation and processes, and there is strong consumer and stakeholder support for continuation of the current arrangement.

Because of these factors, this option, whilst superior in terms of stewardship, public health and health and safety, is not recommended at this stage.

**Option 4 – Transfer both ownership and management of the supplies to CWML**

Under this option, CWML would seek to transfer ownership of the supplies.

Kauru Hill and Windsor could be transferred now with little difficulty expected should the community support doing so. Awamoko and Tokarahi would require specific legislation to allow their transfer and this would likely be more burdensome and time consuming to achieve.

There will be no mechanism to ensure or encourage adequate steps are taken to protect the community or the community's investment in the supplies other than the overview health monitoring carried out by Council's Environmental Health unit and Public Health South's Health Protection Officers.

Council would be removed from responsibility for risks relating to the supply but our community would be vulnerable to reduced performance in water supply operation, management and quality as the oversight of Council through the MoU would no longer exist.

This option is not recommended.

### Assessment of Preferred Option

It is recommended that CWML continue to undertake operational management of the supplies in accordance with the current MoU for a period of five years providing Council is satisfied by 1 July 2017 that all immediate public health risks primarily stemming from the poor management of the existing chlorination systems is addressed.

Review Two indicated strong support for CWML and high satisfaction with their water supplies and progress has been made in terms of meeting the requirements of the MoU.

The defining differences between the three options is the degree to which each manages the tension between doing what is widely supported by the users and CWML, and what is in the best interests of our community's health, wellbeing and growing Waitaki in accordance with Councils Vision.

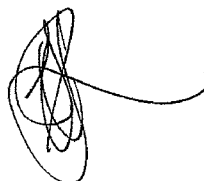
Retaining CWML is the option that, provided CWML commits to and satisfies the provisions of the MoU, in particular the items relating to compliance with the Health (drinking-water) Amendment Act 2007 and the Drinking-water Standards for New Zealand, is both well supported and should protect public health.

A workshop with CWML and Council discussed these issues and concerns and we have since received a letter from CWML on 4 May 2017 (refer Appendix A) that states the company's commitment to meet the public health requirements of the MoU. Continuing overview control is required to ensure such performance is achieved.

### Conclusion

Having considered the options summarised above, the following conclusions have been reached:

1. CWML are not meeting all the requirements of the MoU although they have made progress in many areas.
2. Significant public health and corporate risks remain to be addressed and Council cannot allow operation and management by CWML to continue should immediate improvement not be evident.
3. CWML is providing a service that is satisfactory to users and change would likely attract criticism.
4. CWML have met with Council and have advised that they understand the issues and what is required of them, see attached letter.



Martin Pacey  
**Water Services and Waste Manager**

Neil Jorgensen  
**Assets Group Manager**

### Attachments

Additional decision making considerations  
 Appendix A – CWML Resolutions

**Additional Decision Making Considerations**

The following matters have been considered in making the decisions.

**Outcomes**

This decision contributes to the following community outcomes:

- We provide and enable services and facilities so people want to stay and move here
- We maintain the safest community we can
- We keep our district affordable



## Appendix A – CWML Resolutions

Neil Jorgensen  
Assets Manager  
Waitaki District Council

4<sup>th</sup> May 2017

Dear Neil

At a special meeting of Corriedale Water Management Ltd (CWML) on Monday 1 May 2017, the following resolutions were carried **unanimously**;

### Resolution 2017/29

1. That prior to 31 May this year CWML obtains certification from an independent qualified assessor that the liquid chlorine pulse pump injector systems at the Awamoko, Tokarahi and Windsor rural water scheme treatment plants have been appropriately maintained and operate correctly, thereafter, certification will be carried out on an annual basis.
2. That a copy of the certification document, signed by the assessor, be forwarded to Waitaki District Council (WDC) Assets manager each year.
3. That CWML instructs the company's pump manager that all practicable steps are to be taken to ensure that free available chlorine (FAC) levels at the Awamoko, Tokarahi and Windsor treatment plants are to be at least 0.6 or greater at all times. If this is not possible due to adverse natural events then CWML's contingency plan must be activated; and
4. That Whitestone Contracting Ltd (WCL) is to be instructed that FAC levels at the Kauru Hill scheme are to be at least 0.6 or greater at all times – if this is not possible due to adverse natural events then CWML's contingency plan must be activated.

Please note: The Kauru Hill rural water scheme does not have a liquid chlorination system. A gas chlorination system was installed around 5 years ago. For almost 3 years now CWML's operational responsibilities have included ensuring that Kauru Hill's gas chlorination system is serviced weekly, under contract, by WCL.

The gas chlorination system is certified annually. The most recent certification assessment was in March 2017.

### Resolution 2017/30

1. That completed Water Safety Plans for the Awamoko, Kauru Hill, Tokarahi (revision) and Windsor rural water schemes will include an upgrading pathway to ensure that the requirements are met no later than 30<sup>th</sup> June 2022;
2. That a first draft of water Safety Plans for all four schemes be forwarded to WDC's Asset Manager for comment by 31 May 2017, with updated drafts to be available to WDC by 30 June 2017; and that final Water Safety Plans for

all four schemes be forwarded to ministry of Health (MoH) Dunedin for comment before 31 October 2017.

The completion of the Water Safety Plans will also meet Questions 26 & 27 of the Rationale Audit of how CWML was complying with the Memorandum of Understanding.

If you have any queries regarding the above issues, please do not hesitate to contact me.

Regards

Bill Malcolm  
Chairman Corriedale Water Management Limited

# Assets Committee Report

From Roding Manager

Date 7 June 2017

## Consultation Plan for Draft Roding Business Case

### Recommendations

The Assets Committee recommends that Council:

1. Approve the Consultation Plan for the draft Roding Business Case.

### Objective of the Decision

To consult on the draft Roding Business Case that is to be submitted to the Otago/Southland Regional Land Transport Plan on the 31 August 2017. Consultation and feedback will allow Council to shape the size of the Roding Programme for the 2018-2021 National Land Transport Programme.

### Summary

The draft Roding Business Case is to go out for public consultation on Monday 26 June and closing on Friday 7 July. This is a two week period to allow public and stakeholders to make submissions.

Hearing of verbal submissions is planned to be at an Extraordinary Council meeting on 19 July. The draft Roding Business Case can then be approved, or after amendment by Council, on 2 August for submission to the 2018-2021 Otago/Southland Regional Land Transport Plan on 31 August 2017 (see timetable below).

### Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	Key	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	No	Economic Considerations	Moderate
Community Views	No	Community Board Views	No
Consultation	Key	Publicity and Communication	Moderate

### Background

Funding applications for road network and public transport investments are received by the Regional Transport Committee (RTC) from each Council and NZTA Highway Network Operations for moderation. The RTC then consult on the combined draft programme and once approved by the RTC, it is submitted to the NZ Transport Agency (NZTA) in April of the following year for funding.

The new National Land Transport Programme is confirmed in June. This process occurs every three years.

Submissions to the 2018-21 Regional Land Transport Plan now require a Business Case to support the submission as well as the requirement to implement the One Network Road Classification into the roading network.

These new requirements have stemmed from the outcomes of the Maintenance Task Force, the Roding Efficiency Group (Local Government NZ) and the New Zealand Transport Agency.

NZTA have introduced the business case based on the Treasury's Better Business Case with small amendments, to support maintenance and renewals as well as for any improvement projects other than Minor Improvements.

The best opportunity for councillors and Waitaki customers and stakeholders to make submissions to the draft roading programme and business case is for public consultation to be completed prior to 31 August 2017. This allows Waitaki's Business Case to fully represent this district's needs for the 2018-21 period.

Submissions can still be made to consultation plan for the 2018-21 Regional Land Transport Plan in November of this year.

## Timeline for consultation to approval for RLTP 2018-2021 period

Assets Committee Meeting	Council Meeting	Consultation starts	Consultation ends	Hearing in extraordinary meeting	Council meeting	Submission to RTC for consultation	RTC to submit to NLTP	Funding approved by NZTA
7 June	21 June	26 June	7 July	19 July	2 August	31 August	April 2018	June 2018

**Summary of Options Considered**

**Option 1** – to approve public consultation for the draft Business Case commencing 26 June and closing July 2017 so that feedback and amendments can be made to enable a submission to the 2018-21 Regional Land Transport Plan by the 31 August 2017.

**Option 2** – to approve the draft Business Case without consultation and inform customers and stakeholders to make submissions to the Regional Transport Committee's consultation in November 2017.

**Option 3** – submit the roading programme by 31 August 2017 to the Otago/Southland Regional Land Transport Plan with consultation during Council's 2018-28 Long Term Plan process as has occurred previously.

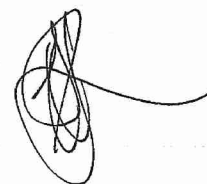
**Assessment of Preferred Option**

Option 1 is the preferred option for Council. This enables Council to incorporate this consultation into the Long Term Plan process to ensure a robust roading programme for 2018-2021 is submitted to the 2018-21 Regional Land Transport Plan by 31 August 2017.

**Conclusion**

Having considered the options summarised above, the following conclusions have been reached:

1. Approval of the proposed public consultation period for the draft Business Case to Waitaki District customers and stakeholders.
2. This ensures a better informed and more robust process has taken place around the submission to the 2018-21 Regional Land Transport Plan by 31 August 2017.



Michael Voss  
Roading Manager

Neil Jorgensen  
Assets Group Manager

**Attachments**

Additional decision making considerations  
Draft Business Case and Roading Programme

**Additional Decision Making Considerations**

The following matters have been considered in making the decisions.

**Outcomes**

The draft Business Case is well aligned with Council's outcomes and that of the Regional Transport Plan.

- We keep our District affordable.
- We enable opportunities for new and existing businesses
- We provide and enable services and facilities so people want to stay and move here
- We understand the diverse needs of our community
- Waitaki's distinctive environment is valued and protected
- We maintain the safest community we can.

**Policy and Plan Considerations**

The draft roading programme is subject to Council's 2018-28 Long Term Plan process and this early consultation will assist to strengthen the process.

**Community Views**

Community and stakeholder views is covered by the consultation.

**Financial Considerations**

The financially assisted Roothing Programme for the period 2018-21 is proposed at \$36.3m of which Council will be required to input 45% or \$16.3m.

**Legal Considerations**

Regional Land Transport Plan is required by Land Transport Management Amendment Act.

**Environmental Considerations**

The draft roading programme has elements of environmental value. Council's Archaeological Authority for Oamaru requires renewal as do the Global Consents from the Otago Regional Council for working in the water way.

**Publicity & Communication Considerations**

It is recommended that a media release go out that customer and stakeholder consultation will commence from 26 June to 7 July 2017.

# Assets Committee Report

From Network Operations Engineer

Date 7 June 2017

## Access to Metal Supplies

### Recommendations

The Assets Committee recommends that Council proceeds with planning towards the purchase of metal supply assets for the purpose of road maintenance and renewals.

### Objective of the Decision

Council directly owns and controls the supply of road maintenance aggregates to ensure continuity and affordability of supply.

### Summary

It is proposed that Council takes over the control of road maintenance aggregate sites by strategically purchasing aggregate sites that will provide Council with long-term certainty of supply. Council will own and manage consents and any agreements where land purchase cannot be completed. Money is to be set aside within the 2018-2028 Long Term Plan (LTP) to seed this programme.

### Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	Key
Legal	No	Cultural Considerations	No
Significance	No	Social Considerations	No
Financial Criteria	Key	Economic Considerations	Key
Community Views	No	Community Board Views	Key
Consultation	No	Publicity and Communication	No

### Background

The Waitaki District Council currently relies on the roading maintenance contractor to source and establish roading maintenance aggregate sites for supply to the Council for roading maintenance purposes. Recent loss of access to a private quarry and escalating rates from other private suppliers has highlighted the vulnerability of not controlling aggregate supplies for the district's roads.

There is a general consensus amongst rural councils throughout New Zealand to own and manage roading aggregate supplies based on the obvious vulnerability to increased changes and irregular availability alternative practices deliver.

Whilst aggregate is generally available within the Waitaki District we have experienced some difficulties accessing reasonably priced product in the Waihemo Ward. We are fortunate that we can find alternative sources however the cost of transport rapidly increases with the distance carted. This requires greater diligence in managing the network to ensure we continue to work within our established budgets.

Pits and seams can be worked out and it is necessary to develop an ongoing programme of sourcing new areas for development. Unfortunately aggregate qualities also vary from fully meeting our specifications to being completely unsuitable for trafficked roads. There are a number of sources offered that unfortunately are unsuitable for use on roads.

### Summary of Options Considered

#### Option 1 – Rely on the roading maintenance contractor to supply metals as part of the contract

To date this model has been very successful and produced for Council significant cost savings during the 2012-2017 period over its previous suppliers. Unfortunately Council, though it has contractual agreements with the maintenance contractor concerning supply and rates, remains vulnerable to supply failures should the contractor not own the aggregate resources. A change of the maintenance contractor is likely to create problems with the supply (there are finite resources) for a newcomer. Access to affordable aggregates would become the key point of difference for any tender which could skew other levels of service.

### **Option 2 – Use aggregate available from private sources as and when required – Council to buy-in**

This option would be very expensive as it places Council as a captive purchaser. It would not, in any way, guarantee supply as and when needed. Unfortunately this would be exacerbated by Council's low volume requirements (roads consume less than dairy lanes as an example plus they are lineal rather than site specific). Council would also be subject to many additional on-costs from suppliers for consents and other operating factors that can be attributed to road maintenance metal supply.

### **Option 3 – Plan towards Asset Purchase (recommended)**

Consider purchasing the land that the source is on to remove any risk associated with the property ownership change. A consent sits with the land not the activity and ownership change of the land can mean the new owner can decide who can hold the consent. Land purchase option has an advantage over larger sites which could provide resources for 30 + years noting that the resource is finite. Land purchase will be prioritised as to those areas of greatest risk to supply and quality of gravels. This option would look at moving Council towards owning aggregate assets.

### **Assessment of Preferred Option**

#### **Option 3**

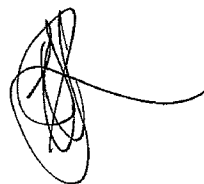
This is the recommended option to own our resources. It will involve either sub-dividing of land off landowners or purchase of parcels. The advantage of owning the land includes continued access and surety of the resource for its life. For this option funding would be required to purchase the land and the land can be leased back to the activity if a return is required. There will be a financial implication to purchase land and consents as necessary.

Having considered the options summarised above, the following conclusions have been reached:

1. Option 1 only covers roading maintenance contract and supplies are not available throughout the district at all times which can impact on our levels of service.
2. Option 2 is risky and probably unaffordable in the long term as it places controls of the fundamental roading needs in the hands of other parties.  
Option 3 is the preferred option. It adds to surety of supply and access to land for aggregate resources. This option may be used for long term securing of sites that have many years of resource available.

### **Conclusion**

It is recommended that Council start to actively source and establish aggregate supplies for our roading network throughout the district and engage with landowners for purchase of land. There will be ongoing capital expenditure requirements to purchase assets that will be factored into the LTP once we have scoped the priority areas.



Neil Jorgensen  
Assets Group Manager

Mark Renalson  
Network Operations Engineer

### **Attachments**

Additional decision making considerations

**Additional Decision Making Considerations**

The following matters have been considered in making the decisions.

**Outcomes**

We keep our District affordable by ensuring roading activities are managed efficiently and effectively.

**Policy and Plan Considerations**

Resource Management

Long Term Plan

**Community Views**

District wide supply to meet community needs and service levels

**Financial Considerations**

Funding for Land purchase to be staged.

**Legal Considerations**

Resource Management Act: Resource Consents

Agreement with Landowners

Land purchase

**Environmental Considerations**

Resource consents.

**Publicity & Communication Considerations**

Use publicity to create public awareness that Council would like access to land for the production of aggregates for road maintenance.



# Assets Committee Report

From        Roading Manager

Date       7 June 2017

## Severn Street Wall: Reconstruction

### Recommendations

The Assets Committee recommends that Council:

1. Approves the removal of top layer or layers of stone to a height that minimises the risk of toppling.

### Objective of the Decision

To remedy instability of the wall sections above Severn Street and provide options for consideration to achieve best amenity and cost value as outlined and discussed in the workshop of 22 March 2017 and memo to the Assets Committee 26 April 2017.

### Summary

The Severn Street wall has a number of points where foundation instability requires attention before the approaching winter. This includes removal of the top layer or layers of stone block courses where the wall leans in excessively as a safety measure.

### Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	Moderate	Social Considerations	No
Financial Criteria	Moderate	Economic Considerations	No
Community Views	Key	Community Board Views	No
Consultation	Moderate	Publicity and Communication	Moderate

### Background

Following the failure of parts of the Severn Street wall a number of options are proposed to address the wall's future for consideration.

A detailed geotechnical inspection from a qualified engineer engaged from MWH has confirmed part of the walls' poor structural condition – reflecting their 1938 construction standard. Council's options range from taking a pragmatic approach to the geotechnical review (eg removing the top-course of blocks rather than full replacement) to full replacement.

A basic planting plan prepared by Council's Reserves staff has been appended to give an appreciation of how it is proposed to merge the works together and increase the overall appeal of the wall.

The condition of the remaining unreinforced Oamaru Stone walls have been assessed by MWH, they found that all of the walls are leaning, some sections up to 8 degrees off-vertical. Any lean is indicative of a potential underlining foundation failure.

Failure of these sections of wall may pose a limited risk to pedestrians from blocks tumbling to the footpath, (blocks reached the footpath in the most recent failure). However the walls in question are far enough away from the Severn Street footpath for the blocks to lose momentum before reaching the footpath should it collapse. Any unstable wall retaining more the 1.0m of slope above the wall is a risk for collapse.

The original stone walls were commissioned by the Beautifying Society in the 1930s to both help stabilise Douglas Terrace and act as an architectural /landscaping wall. The walls would be unable to resist a significant seismic event or prolonged rainfall but met the design standards of the day and have clearly performed reasonably well until the last decade when some movement was becoming evident. Drainage materials along the inside face of the walls would have become silted over the ensuing decades.

The wall has a category B Heritage value which states the preservation of the heritage item is encouraged. Heritage NZ wish to be informed of Council's decisions.

### **Option 1 – Mitigate worst areas of wall (recommended)**

Remove the top two layers of stone throughout the entire length of the walls, reshape the embankment behind the wall and plant to prevent scour/erosion and to make it visually appealing. Cost for wall (ca. 400m) is \$60,000 and a further \$60,000 for soil / planting and landscaping work.

This construction is like-for-like which has a potential risk for failure that Council has advised against. However the experiences gained from the previously failed section of wall will be applied to minimise failure.

A more expensive alternative to this option would be to cut the wall to a similar height (see photo). This option is expected to cost around \$150,000. This is unlikely to add value to the works except that it provides a more uniform profile for the observer. However plants would cover any visual benefit within a few years. New construction is like-for-like which has its inherent risk for failure.

This option for the removal of the top layers of stone blocks proceeds and followed up with tailored landscaping. This would remedy the majority of the deficiencies and have least disruption to the site. It provides a practical response and reasonable value for money. However this option does not address the matter of risk of future failure over that of a modern designed wall that Council has considered unacceptable.

### **Option 2 – Retain existing wall and strengthen (not recommended)**

Consideration has been given to the use of an earth anchoring system to tie the wall back into the existing embankment starting with the areas identified as a serious risk. It would be necessary to complete some test drilling before anchoring or shoring commences to know where the sound material for bedding lies in relation to the wall. This option has not however been priced as from experience suggests that this option would be very expensive to install and challenging to locate the necessary equipment on site to anchor successfully into the slope.

Another and possibly cheaper approach would be to drive railway irons to retain the wall. However, as the wall is not tied together, the numerous closely-spaced vertical rails required for strengthening would be visually unattractive. There would be a similar need to undertake extensive earthworks for the pile driving machinery with the necessary remedial tidy-up works.

Both of these approaches would involve significant earthworks to place driving machinery on small working platforms above SH1 and would require extensive remedial works to reshape for planting.

Anchoring or shoring the wall is not recommended due to the costs and surface disturbances created.

### **Option 3 – Replace the wall**

Remove existing wall and reinstate with a new concrete reinforced wall with an Oamaru stone veneer. There is approximately 200 metres of wall requiring immediate attention and 420m overall costing in the region of \$1200/m; making a total replacement cost around \$500,000.

This option is offered but noting the scale of the works are greater than what can be achieved with a more affordable (like-for-like) solution as found in Option 1. The amount of co-investment from NZTA for this option may be in jeopardy for the reason of expense. With the face of the bank appearing to be reasonably stable the need for a reinforced structure appears to be less than it would be if there were more obvious signs of general movement. It should also be noted that Option 4 exceeds the proposed FY 17/18 Annual Plan funding by a further \$300,000. Should this proposal proceed then the balance would be looked at in the following year.

### **Option 4 – Remove the wall**

Remove the wall and reshape the existing embankment to allow for landscape planting is estimated at \$120,000. Full landscaping treatment would be essential to mitigate the reworked face including careful management of stormwater run-off. A detailed geotechnical survey would be recommended to provide confidence over the bank's overall stability.

Additionally there would be a loss of amenity value with the removal of the Oamaru stone block walls which is likely to generate publicity.

A detailed examination and analysis of the lower block wall and the bank material would be required to ensure the wall has the capacity to potentially bear the weight of the full height of the bank.

### **Funding**

The 2017/18 Annual Plan proposes funding for the wall at \$200,000. This is a ball-park estimate used as a placeholder pending more detailed structural design should the full replacement option be preferred.

However the removal of the capping can be completed this financial year and eligible for NZTA subsidy under our Maintenance work category. The \$60,000 estimated cost would be split \$34,200 with \$25,800 from local share.

### **Recommendation**

That Option 1 to remove the top two layers of stone be undertaken as soon as practical funded 43% from local share and 57% from NZTA. Further and more extensive work would be considered under the structural component renewal category for NZTA co-investment funding – option 2.

Funding of the landscaping works is through the Oamaru Amenity Rate.

### **Assessment of Preferred Option**

Option 1 is the preferred option. This work can be completed quite soon and preferably before winter.

NZTA will be advised if this option is adopted and a way forward mapped and agreed.

The design to modern standards of the replacement wall will commence within the current budget allocation to make an early start on replacement.

Having considered the options summarised above, the following conclusions have been reached:

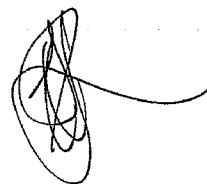
1. To proceed with the remediation works as soon as practical.
2. That landscaping works are undertaken to visually improve the site and cover any areas that were impacted from remedial works.

### **Conclusion**

The Severn Street wall has a number of failure points that are in need of being repaired. The options range for minimal work through to either a full reconstruction or full removal. Landscaping is proposed to varying degrees to tidy up the sites and blend them back into an attractive setting.

It is recommended that the worst sections are remediated as soon as practical before more extensive works are undertaken.

Council has clearly indicated a minimum risk solution against future failure is a given.



Michael Voss  
**Roading Manager**

Neil Jorgensen  
**Assets Group Manager**

### **Attachments**

Additional decision making considerations and Wall and Landscaping Options

**Additional Decision Making Considerations**

The following matters have been considered in making the decisions.

**Outcomes**

We maintain the safest community we can.

**Policy and Plan Considerations**

Roading Activity and Asset Management Plans  
Long Term Plan

**Financial Considerations**

Annual Plan consideration  
NZTA engagement

**Publicity & Communication Considerations**

It is recommended that a resume of the selected option(s) is released to the media.

## Wall and Landscaping Options



Remove blocks and then cut to shape to maintain consistent 600mm wall height (add \$30k)



Remove top two blocks to reduce to 600mm then step up where appropriate to maintain 600mm height

### Proposed Landscaping:

Remove either the entire wall or in sections and reshape the terraces



Cut and bench into embankment and plant out using selected mainly native species

#### 1. Bank profile

This should be re-profiled to reduce the slope as much as possible. An S shape slope with reducing slope at the base and at the crown with the toe of the slope supported by the remaining base wall is recommended. A reduced slope is also recommended for ease of maintenance.

#### 2. Soil type – Clay bank

The existing exposed soil is solid clay which is a difficult soil type in which to establish new plantings. Some form of geotextile or fabric would be beneficial for moisture retention and would also provide protection to surface soil to prevent erosion. The ability to add top soil as well as

mulch would need to be investigated as these would aid in plant establishment, survival and growth.

Successful use would depend on the final profile achieved.

The poor fertility and soil structure will need to be considered when selecting plants and whether additional organic material and/or fertiliser should be used when planting.

### **3. Function of plants**

Once re-profiled the roots of planted shrubs will grow out and down into the soil at a spread and depth that will structurally support the soil and assist in preventing erosion/slumping of soil mass.

The vegetative surface cover will reduce the direct impact of rain on the surface soil and assist in preventing surface erosion.

Moisture uptake from wet soils – on steep clay banks this is less of an issue as storm water will tend to run-off surface.

### **4. Plant species selection**

Plants should be selected in consideration of:

- Root morphology – tensile strength and depth and spread.
- Size and shape – low and creeping. Taller heavier plants that would aggravate erosion due to their weight esp. taller shrubs and trees would not be suitable.
- Native/exotic mix – apart from hebes NZ natives are not known for their flowering, this can be enhanced with the inclusion of exotic species many of which are already in the existing gardens. This would ensure the continuation of the current theme and ensure natural flow of landscape.

Plants could include such native species as hebe, tussock grasses, ornamental flaxes, coprosma spp, native broom, prostrate kowahi and exotic species including rock roses, agapanthus and herb species such as rosemary and lavender.

### **5. Successful establishment**

High number of plants and larger grades are recommended to provide the quickest coverage/re-establishment of the garden. Carefully managed watering of plants will be critical to successful garden establishment. Allow for a 3 – 5 year establishment period.

### **6. Staging or works**

Consideration would need to be given to whether these works should be staged or undertaken at one time. The risk would be whether there were any extreme weather events occurring whilst gardens were establishing. The site will be vulnerable to erosion whilst the new bank profile and moved soils consolidate and plants establish. Staging would reduce the risk and scale of bank collapse and would reduce the visual impact of the works.

# Assets Committee Memorandum

**From:** Roothing Manager

**Date:** 7 June 2017

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## Tenby Street Safety Improvements

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### Recommendation

The Assets Committee receives the information.

### Summary

To inform the Assets Committee of the focus on improving general traffic safety for those using Tenby Street as the access to the features and attractions within Moeraki Peninsula as part of our Minor Improvements Programme for FY 2018-21.

### Purpose

It is proposed that the Committee considers this new focus in light of the current and future demands being placed on Tenby Street.

### Background

Tenby Street provides access to a number of key locations for visitors along the Moeraki Peninsula, including The Lighthouse Road to Kaitiki Point and its wildlife attractions, Kaik 1 and 2 hamlets, Lookout Point and also the Moeraki Village when Haven Street is unavailable to vehicles. Additionally Tenby Street provides access to the farms and residents in this area.

The frequency and scale of slippages at Haven Street are increasing despite the expenditure and stabilising methods, by both community and Council, to provide some form of reliability or resilience of access to Moeraki Village. Whether or not this escalation is simply a hiccup or it signifies something more complex, the outcome remains that Tenby Street provides the only reliable access to Moeraki Village and the Moeraki Peninsula.

The 2018-28 Long Term Plan proposes to include a line item to authorise expenditure of \$100,000 per annum over the three years to widen and upgrade safety features along Tenby Street as part of the Minor Improvements activity. Though the future and funding considerations of Haven Street does not form part of this report, Council has clearly endorsed its necessity to retain safe access along Haven Street which remains unchanged.

The underlying force behind this focus of moving investment to Tenby Street is the growing popularity with visitors the area has, in particular the growing awareness and desirability to "experience" wildlife found at Kaitiki Point. This in itself has led to Council having a separate project planned for 2017/18 to invest in applying a traction seal at the steep gradient near the Lighthouse to improve traction and thereby safety for those less used to such driving conditions.

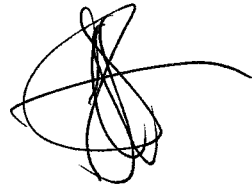
The recent Lonely Planet publication places Moeraki Boulders, along with Milford Sound and Waitomo Glow-worm caves, as being in the top 50 sites to visit within the world. As Moeraki Boulders and Milford Sound are pretty much on the same route to or from Christchurch International Airport we can expect exponential growth of visitors. This would likely be in the form of visitor drivers, coach tours and cyclists.

The current tourist statistics indicate some 69% of visitors are choosing to self-drive. This will have an increasing impact on the rural roading network and also for locals who are unused to sharing their road with others. This ratio is expected to remain reasonably constant but the increasing overall number of visitors will add to the stress on the network.

**Comment**

This work is in recognition of the need to undertake staged investments from our Minor Improvement Programme for FY 2018-21 to improve safety along Tenby Street to meet the increasing demands of visitors to experience the attractions the Moeraki Peninsula has to offer.

Michael Voss  
**Roading Manager**

A handwritten signature in black ink, consisting of several overlapping loops and a long horizontal stroke extending to the right.

Neil Jorgensen  
**Assets Group Manager**



# Assets Committee Report

**From** Roothing Manager

**Date** 7 June 2017

## Oamaru: Christmas Tree Options

### Recommendations

Assets Committee recommends that Council:

1. Purchases an artificial Christmas Tree for Oamaru with a budget of up to \$20k from the Oamaru business reserve.

### Objective of the Decision

To confirm Council's commitment to providing a Christmas tree for the community enjoyment in Oamaru for future years.

### Summary

For the last three years a Christmas tree has been sourced through the Roothing Unit for the community benefit in Oamaru. This activity has the hallmarks of becoming a tradition and therefore would benefit from being appropriately funded and managed.

### Summary of Decision Making Criteria

	No/Moderate/Key		No/Moderate/Key
Policy/Plan	No	Environmental Considerations	No
Legal	No	Cultural Considerations	No
Significance	No	Social Considerations	Key
Financial Criteria	Key	Economic Considerations	Key
Community Views	Key	Community Board Views	No
Consultation	No	Publicity and Communication	No

### Background

In 2014 the Roothing Unit provided a Christmas tree to be prominently positioned in Lower Thames Street for the festive season. This hadn't been done for a number of years, and while the tree wasn't initially fully decorated as a result of the short lead-in time, the community was very appreciative of having a tree back again.

This continued for the next two years, funded from the Roothing budget under Oamaru Township maintenance which has a specific Christmas decoration allocation. The Roothing Unit coordinate the selection of the tree, transport, Traffic Management Plan – and work largely with the Mayor's PA to coordinate the decorating of the tree. All the associated works including lighting requirements are currently undertaken by Council's street lighting contractor.

The initial spend was a one-off as it required a permanent "hole" or socket for the tree to sit in, as well as laying power to the site for the tree lights. These features can be reused, irrelevant of whether the tree is a freshly cut or artificial.

The annual cost to replenishing decorations is not high and approximately three staff hours are spent with the decorating. The decoration costs have been kept low due to the generosity of a number of local businesses who have either provided free-of-charge or discounted decorations.

For the last three years a very impressive freshly cut tree has been provided. However this can be quite time-consuming (finding through to transporting) and it is timely to consider the options of continuing to provide a fresh tree, an artificial alternative, or maybe no tree.

The Roothing Unit has borne the funding of selecting and having the tree delivered, installed and decorated as a part of Oamaru Christmas decoration works under the township maintenance budget. This single activity has depleted the budget and it needs to be a separate line item additional to Christmas decorations activity for transparency.

The cost comparison between the natural tree and the artificial tree is outlined below. This is taken over a ten year period and a 5% CPI adjustment has been applied. The purchase price for the artificial

tree is taken as a guide from recent purchases by other Councils. The actual specifications along with costs can be considered later should this proceed.

		Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	TOTAL Y5	TOTAL Y10
<b>Option 1</b>	Tree purchase	\$2,500	\$2,625	\$2,756	\$2,894	\$3,039	\$3,191	\$3,350	\$3,518	\$3,694	\$3,878		
(Fresh)	Decoration	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500	\$500		
	Installation	\$1,500	\$1,575	\$1,654	\$1,736	\$1,823	\$1,914	\$2,010	\$2,111	\$2,216	\$2,327		
	<b>TOTAL</b>	<b>\$4,500</b>	<b>\$4,700</b>	<b>\$4,910</b>	<b>\$5,131</b>	<b>\$5,362</b>	<b>\$5,605</b>	<b>\$5,860</b>	<b>\$6,128</b>	<b>\$6,410</b>	<b>\$6,705</b>	<b>\$24,603</b>	<b>\$55,312</b>
<b>Option 2</b>	Tree Purchase	\$20,000	\$0	\$0	\$0	\$0	\$2,000	\$0	\$0	\$0	\$1,000		
(Artificial)	Decoration	\$0	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250		
	Installation	\$1,000	\$1,050	\$1,103	\$1,158	\$1,216	\$1,276	\$1,340	\$1,407	\$1,477	\$1,551		
	<b>TOTAL</b>	<b>\$21,000</b>	<b>\$1,300</b>	<b>\$1,353</b>	<b>\$1,408</b>	<b>\$1,466</b>	<b>\$3,526</b>	<b>\$1,590</b>	<b>\$1,657</b>	<b>\$1,727</b>	<b>\$2,801</b>	<b>\$26,526</b>	<b>\$37,828</b>
<b>COST RECOVERY</b>													
Costs recovered at Year 6													
CPI estimated 5% annually													

## Summary of Options

### Option 1 – Continue to provide a natural freshly cut Christmas tree for each Christmas.

Allocate funding in the Annual Plan for the supply and installation of the tree, decorations, contractor and staff time as above. Due to the inconsistent nature of the real tree, shape and branch spacings always varying, the costs to light and decorate will likely vary. The annual installation may also create wear and tear to these items and a replacement plan is included.

### Option 2 – Supply and install an artificial Christmas tree. Preferred option.

This tree will be fully lit and decorated in the first year. Once established the tree will require only annual attention by the contractor to reconnect and clean the decorations. It is proposed to store the tree with the street lighting contractor after being broken down into components.

### Option 3 – Do not provide a community Christmas tree.

This option is not recommended as it would likely create some negativity within the community.

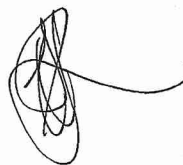
## Assessment of Preferred Option

The preferred option (2) is to select and purchase an artificial tree. This option provides greater certainty and has less risk than accessing a suitable live tree. Whilst an artificial tree lacks the intrinsic values held by a real tree it does deliver a pragmatic solution. It is proposed to purchase an 8.6m tree, which fits in well with the 11m high light poles and taller memorial.

The annual installation costs can remain within the Roading budget, however the initial cost of the tree cannot be accommodated within the budget. It is suggested that the Oamaru business rate reserve may be appropriate to fund the initial cost of the tree. The Oamaru business rate is funded by businesses in the Business A zone, with a half contribution from businesses in the Business B zone. Any surpluses from the parking meter activity also supplements the reserve. There was \$130k in the reserve as of 31 March 2017.

## Conclusions

That Council positively considers the continuation of providing a decorated and lit Christmas tree in Lower Thames Street and that the process to purchase an artificial tree begins early to ensure a suitable tree will be available for Christmas 2017.



Michael Voss  
Roading Manager

Neil Jorgensen  
Assets Group Manager

## Attachments

Additional decision making considerations  
Photos of the artificial Christmas tree.

### Additional Decision Making Considerations

The following matters have been considered in making the decisions.

#### Outcomes

- We provide and enable services and facilities so people want to stay and move here
- We keep our district affordable

### Artificial Christmas tree samples



# Assets Committee Memorandum

**From** Assets Group Manager

**Date** 7 June 2017

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## Waitaki Resource Recovery Trust Ltd (WRRT) Quarterly Report

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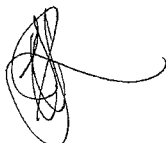
### **Recommendation**

That the information is received.

### **Purpose and Summary**

To provide the Assets Committee with the Waitaki Resource Recovery Trust Ltd quarterly report for the period ending 31 March 2017

A copy of the quarterly report is attached and shows the range of works as well as financial statements to the end of the period.



Neil Jorgensen  
**Assets Group Manager**

### **Attachment**

Waitaki Resource Recovery Trust Ltd Quarterly Report January – March 2017



# Waitaki Resource Recovery Trust



## Quarterly Report: January - March 2017

## Financial Summary

Budget Variance report 9 months ended 31 March 2017

Income from fees	<b>Actual</b> 94610	<b>Budget</b> 106264	<b>Last year</b> 94885
Income from operations	291202	307278	<b>281703</b>
	<b>385812</b>	<b>413542</b>	<b>376589</b>
Direct costs	452587	511680	511058
Overheads	48134	52782	53714
	<b>500721</b>	<b>564462</b>	<b>564772</b>
Operating grants Other Income	<b>194060</b>	<b>191078</b>	<b>198637</b>
Net Income	<b>79151</b>	<b>40158</b>	<b>10453</b>

### Diversion from Landfill July to March 2017

Waste Oil	Glass	Recyclables	Greenwaste
5,300 litres	281.18 Tonnes	1659.54 Tonnes	138.33 Tonnes

### **Diversion has saved the Community at least \$332,648.00!**

At this time about 80 Tonnes of glass are in storage due to logistical problems covered later in the report and 55 Tonnes of plastic ready for despatch in May/June 2017.

Figures are on target with expectations and a diversion rate of 88 to 90% is being maintained. Reporting is done in accordance with WasteMINZ specifications.

### **Markets**

Markets are still a little fragile, especially for plastics, with the Chinese economy being fairly flat.

However there has been a slight improvement in interest and pricing for some plastics.

WRRT have shipped 2 x 40ft containers containing 16.5 tonne of PET bottles and 22.8 tonnes of PP bags to China over this quarter. We have also assisted a local Company to recycle 39 tonnes of a plastic product that was going to be consigned to Landfill.

Glass volumes are stable although we are experiencing some logistical issues obtaining empty shipping containers due to the ongoing transport problems brought about by the Kaikoura earthquake.

Metal prices are also very low and while we are not getting any return for light gauge metal, we are still able to get rid of it. There is a glimmer of hope for this product as quality steel has increased from a zero return to \$150.00/tonne

Paper and Cardboard are stable with significant increases in the volume of cardboard processed. A slight rise in pricing has occurred and the next quarter is expected to continue this trend.

### **Social Benefit**

We are continuing with the Community Bike project and mentoring school children in bike maintenance. Fund raising through Lotteries has ensured we can continue this project for a further 12 months. We are providing work experience opportunities to an ongoing number of volunteers and unemployed. Another local School has received 12 bikes plus helmets, Hi Vis safety vests and Hi Vis Backpack covers.

### **Health and Safety**

WRRT's Health and Safety program complies fully with the recently introduced new standards. We carry out a three weekly Health and Safety audit and discuss the findings at our regular Team Talk meetings.

### **Workplace Literacy**

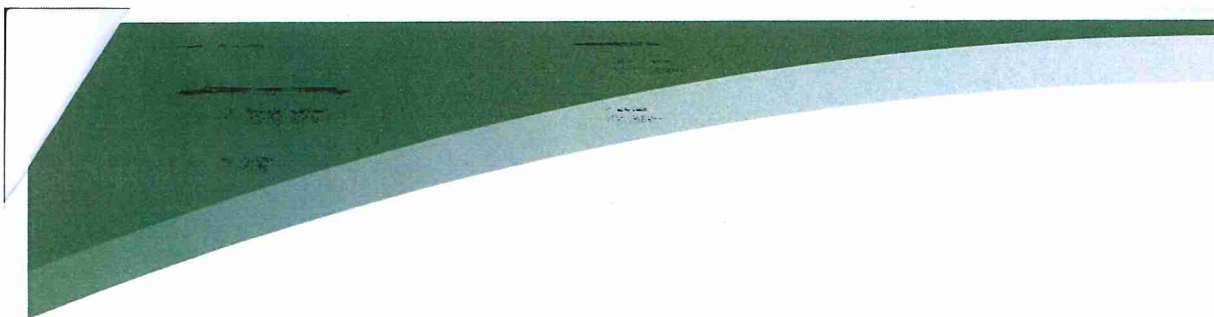
Literacy North Otago has created a collaboration of Employers to provide workplace literacy training for employees. WRRT have been selected as the lead agency. This is the first example of a collaboration like this in the Country. A number of new companies have come onboard and results are very promising. The Tertiary Education Commission are using this example as a case study to potentially roll out nationwide.

### **Combined Recycling/Rubbish Receptacles**

WRRT have raised \$10,000.00 + GST to trial Combined 3 bin units for the Community. After discussions with Roading and Parks Officials it is proposed they be located in the Friendly Bay Playground area and possibly the Municipal Park. They will be the same as used in Dunedin and we will piggy back on their next order. An order for 5 units has been placed which will free up some of the Heritage bins for use in the Victorian precinct area. See attached. These bins are expected to be delivered in the near future.

### **New Business opportunity**

After two years of negotiation and discussion, brought about by WRRT's reputation, Enviro Resin Products (Company name to be Polybuild) will be setting up in Oamaru with the rights to supplying NZ and Australia with building products made from recycled low value scrap plastic. Project is ongoing with recent communications to several Government Ministers. A recent meeting was held with Hon Jacqui Dean and we have three or four other Community Recyclers interested in becoming involved in the project.



### Heritage 3 bay recycle unit

This fibreglass manufactured bintainer weighs approximately 45 kgs empty. Each container can take 100 litres per bay.

*Used : Dunedin*

SUPPLIER : McFarlane's Fibreglass Engineering  
03 471 0623

We chose it over other bin designs because: The bin was made to order; same colour and general design as our existing litter bins, utilising the same 100 litre bin liners used by the contractor who now services both the litter bins and permanent public places recycling bins and the bin matches other street furnishings.

- The three bins, contained within the one unit, gave us the opportunity to separate glass from commingled recyclables and provide for a rubbish bin to lessen contamination in other two bins.
- The bins are made of fibreglass which is very durable, light and repaired easily if damaged.
- The permanent recycling stations are showing a 95% return of recyclables—so people are seeking them out to put their recyclable materials in. The contamination is largely disposable coffee cups and paper packaging we don't recycle from public bins in Dunedin due to levels of food contamination. The glass bin is the least contaminated as it is clearly understood what this bin collects. There is greater ambiguity around the term mixed recycling even though the words plastics and cans appear on the signage.
- Council will continue to use this bin style for public places recycling as the infrastructure is rolled out into other areas of Dunedin and with bin renewals.

Cath Irvine, Dunedin City Council



# Assets Committee Memorandum

**From** Assets Group Manager

**Date** 7 June 2017

## Assets Group Activity Report

### Recommendation

The Assets Committee receives the information.

### Summary and Purpose

The purpose of this memorandum is to inform the Assets Committee about the activities of the Assets Group.

#### 1. Roothing Manager's Update

The Harbour Street trial is completed, except for the debrief with stakeholders. Overall the limited vehicle access to Harbour Street generally appears to have been well received, with many positive comments and feedback through social media, surveys and conversations. One issue raised was concern that the P60 parking restrictions along Tees Street were too short and we are considering making them P120. The next trial is suggested for November 2017 through to Easter 2018. A report to the Assets Committee will be submitted at the July meeting that outlines the trial and provides options to progress.

##### 1.1. Customer Service – CRM Process

A total of 47 requests were received by the roading team in March and 59 in April:

- 29 for drainage
- 47 for unsealed road condition, 21 for grading, 12 for metaling and 10 for potholes and three general responses required from Council officers (24 from Corriedale, some multiple request for the same road)
- 13 for sealed potholes
- 15 for signs/damage
- Three Roothing General – Tagging on retaining wall, question in regard drainage at vehicle access and exposed private water line in road reserve. These have all been actioned and the majority resolved.

Customer requests to the roading maintenance contractor for the 12 month period March 16 to March 17 were down 105 over the same period in the previous year. 693 requests were received down from 798 with the only spike around the local body elections where 83 requests were received as opposed to the average of 50. The lowest month was December with 31 followed by January at 32 requests and unsealed grading or metalling were a third of all requests - the largest single category.

##### 1.2. Operations

SouthRoads are continuing to search for reliable and affordable metal supplies that meet our quality criteria in the Waihemo area. Our fallback position should this drought continue will be for the importation of suitable metals greater than 25 km which will unfortunately reduce the amount that can be applied.

Haven Street continues to create issues and the accelerated movement down towards the sea has left the trafficable road as a single lane. We have reset the marker pegs inland as the outer shoulder is no longer safe to travel on and we can't guarantee its ongoing integrity - especially for vehicles crossing it at night. The subsurface movement has clearly spread into the Haven/David Street intersection area and this may be the next section we remove the seal off to keep it maintained. We have spent \$20,200 this financial year to date which is \$8,200 over the set budget. This is unsubsidised.

Over the last three weeks the focus on roadside litter collection has been increased with routine patrols specifically targeting roadsides during their inspections. Eighty eight bags of litter have been collected in the three weeks compiling of: 51 bags of litter collected from Seven Mile Road alone in one hit (including 5 tyres-1 bedspring-2 TV's). This shows how litter can be transported from farms onto the road reserve in rain events or rubbish like feed bags falling from utes or farm machinery. Other rural roads closer to urban areas have takeaway food packaging as the main rubbish.

The maintenance contract budgets for physical works are 95% expended with routine works being the focus until new funding is allocated on 1 July. Any sealed pavement failures will be managed with temporary repairs and programmed for the new season.

NZTA have increased the financial assistance rate to 85% for accelerated streetlight upgrades to LED. Base rate for Council is 57% for 2016/17 and 56% for 2017/18. The additional subsidy is worth \$311,000 of revenue for Council over the two years. As this activity is a renewal, the local share would normally be funded from depreciation. The savings will be directed to the replacement of streetlight poles, brackets and outreach arms. Once the project has been completed, there should be healthy savings in electricity costs as we move into the 2018-28 Long Term Plan.

### 1.3. Communications

Date	Customer/Client	Outcomes
May	Oceana Gold	Consent conditions for maintenance of roads confirmed.
May	Rooneys Earthmoving	Overweight vehicles with no permits on network
March/April	Screen and Crush	To source aggregate supply sites for Council
April	Blakely Pacific	Receipt of royalties from rock
April	AIG	Receipt of claim for bridge repair
April	Ahuriri Community	Proposed street upgrade in Otematata and Kurow Township upgrade stage 2 is in progress.

### 1.4. Projects

Well underway	Comment
Re-metalling Programme	The general programme is on-going
Bridge Renewal Programme	Work on the Galbraith Bridge continues with the completion date at the end of June. Transom Replacement on Maheno Iron Bridge almost complete. Kauru Hill bridge next and to be completed in June
Minor Improvements Programme	All projects are completed. Budget is full spent. A drafted programme for next year is in place.
Rehabilitation Programme	Nearing completion of Gemmells Crossing Road. This is the last project for the year.
Bridge Maintenance	Completed.
Seal Widening Programme	Works completed. Some remedial works required to be carried out.
Street Lighting LED Upgrade	The work is underway. Estimated 100 units' installation every week.
Remarking Contract	Completed.

Well underway		Comment
<b>Larger Projects (Prioritised)</b>		
1	Oamaru Coastal Protection	Works have started with the sands collected from the breakwater area. Mattresses have been laid and filling started.
2	Kakanui Under slip road realignment	The realignment is complete and the sight railing is to be relocated.

## 2. Water Services and Waste Manager's Update

### 2.1. Customer Service

Since commencement of the 2016/17 financial year, over 2,100 CRMs have been resolved by the water services reticulation contractor and officers with 90% resolved within the required timeframes.

### 2.2. Operations

#### Reticulation

The number of reactive repair works has reduced considerably following a busy summer for SouthRoads. This is just in time for winter when increased failure of water filters and above ground pipework due to frost will occur. Officers are working with SouthRoads to ensure above ground pipework is buried where possible and sufficient stock of replacement filters are available.

#### Water Facilities

Heavy rainfall over the Easter period resulted in the Hampden-Moeraki and Herbert-Waianakarua water supplies being turned off for a number of days. Conserve water notices were issued prior to the supplies being turned off, providing consumers early notification of the event. Boil water notices were issued as a precautionary measure on start-up of the intakes as the effectiveness of the treatment (chlorine) could not be guaranteed.

#### Wastewater Facilities

The Request for Proposal for the delivery of wastewater facility operations closed on 5 May 2017 with one proposal received from SouthRoads. Discussions have commenced with SouthRoads to negotiate contract requirements.

#### Solid Waste Facilities

The green waste stockpiles at the Ahuriri Transfer Stations are in the process of being mulched by a Southland based company who are working in the area.

### 2.3. Communications

Date	Customer/Client	Outcomes
Multiple occasions	Otago Regional Council	Various communications regarding general resource consent compliance, renewal of the Moeraki wastewater discharge permit, renewal of the Stoneburn water take permit and the Oamaru Landfill closure.
Multiple occasions	ECan	Various communications regarding general resource consent compliance.
Multiple occasions	Waitaki Resource Recovery Trust (WRRT)	Various communications regarding the delivery of solid waste services following the Oamaru Landfill closure and redevelopment of the WRRT site.
Multiple occasions	Waste Management	Various communications regarding the delivery of solid waste services following the Oamaru Landfill closure.

<b>Date</b>	<b>Customer/Client</b>	<b>Outcomes</b>
Multiple occasions	Heritage New Zealand	Various communications regarding discovery of heritage items (wooden pipes) during the South Hill Water Reticulation Upgrade project.
Multiple occasions	Kai Tahu ki Otago and Te Runanga O Moeraki	Various communications regarding renewal of the Moeraki wastewater discharge permit.
Multiple occasions	Waitaki Developers	Various communications regarding subdivisions and developments i.e. Natural Chicken Company (Moeraki), McBrimar (Weston), Old Hospital Hill and the Retirement Village.
Multiple occasions	Ahuriri Community Board	Various communications regarding solid waste services in Ohau, operation of the Ahuriri Transfer Stations and review of the Waste Management and Minimisation Plan.
Multiple occasions	Corriedale Water Management Ltd.	Various communications regarding the completed Options and Risk Assessment.
April	Herbert/Waianakarua and Hampden/Moeraki Consumers	Communication regarding issued conserve and boil water notices over the Easter period.
April	Solid Waste Working Group	Workshop regarding review of the Waste Management and Minimisation Plan.
April	Oamaru and Environs Residents	Communication regarding the free Oamaru Landfill disposal day.
April	Various Landfill Account Holders	Communication regarding solid waste services following the Oamaru Landfill closure.
April/May	Various Contractors	Various communication regarding the H2OurHealth pipeline construction contract tender.
April/May	H2OurHealth Reference Group	Various communication regarding the H2OurHealth pipeline construction contract tender.
April/May	South Hill Residents	Communication regarding the South Hill Water Reticulation Upgrade project
April/May	IPWEA NZ	Representation on the IPWEA 2017 Conference Organising Committee.
May	Alliance	Communication regarding trade waste monitoring and billing.
May	WaterNZ	Training on the Drinking Water Online Database (previously WINZ).
May	Menzshed	Communication regarding potential site options for their operations.
May	Canterbury Drinking Water Reference Group	Workshop regarding improved collaboration between organisations particularly during drinking water emergency response.
May	NZTA	Communication regarding the NZTA forward work programme for Oamaru.
May	Network Waitaki	Follow-up communication on feedback provided in a Customer Satisfaction Survey.
May	Omarama Airfield	Communication regarding design of the proposed wastewater disposal field and lease conditions.

## 2.4. Projects

Larger Projects (Prioritised)		
1	Oamaru Landfill Closure	The Oamaru Landfill closed to the public on 21 April in conjunction with the formal opening of the Waste Management Transfer Station. The green waste stockpile is in the process of being moved into the tip face prior to final capping. Survey and assessment of required clay volumes for final capping across the entire site is underway in conjunction with the development of the Aftercare Plan.
2	H2OurHealth (HamNak pipeline) Project	Tender submission closed on 27 April. The contract has been re-packaged into four smaller contracts and re-released for tender by selected contractors.
3	Oamaru South Hill Water Reticulation Upgrades	Whitestone Contracting Ltd have completed the first portion of the contract works and are making good progress on the second portion. Construction of pipe work at the South Hill Reservoir is underway.
4	Moeraki Wastewater Disposal Upgrade	Feedback has been received from Te Runanga O Moeraki and consent conditions addressing their concerns are being drafted.
5	Asset Management Plan (AMP) Update	Updates to the 2018 document are underway.
6	Corriedale Water Management Review	The Options and Risk assessment is complete and has been discussed with Corriedale Water Management Ltd. A report has been submitted to the Assets Committee for decision on the way forward.
7	Chelmer Street Sewer Main Upgrade	Drawings and specifications are with selected contractors for pricing and due for submission on 26 May. Officers are working closely with the Roading department to ensure works are completed prior to the Chelmer/Cross Street intersection upgrade.
8	Oamaru Tower Zone Capacity Assessment	Design is complete and a report detailing the recommended upgrades/improvements is under review by officers.
9	Oamaru Water Supply Chlorine Analysis	Analysis of the chlorine dosing rates at the Oamaru Water Treatment Plant is in progress.
10	Kakanui Slip Water and Sewer Main Replacements	Construction of the new water and sewer pipelines is complete and removal of the above ground pipework underway.
11	Oamaru Wastewater Treatment Plant Capacity Assessment	Development of a project scope for ADI Solutions is underway.
12	Omarama Wastewater Treatment Plant Disposal Upgrade	Concept design of the proposed disposal trenches is complete and awaiting presentation to the Board.
13	Sewer Lateral Ownership Assessment	Assessment is complete and a report provided for officer review. Further work on hold pending resource availability.

<b>Larger Projects (Prioritised)</b>		
14	District Wide Solid Waste Review	The first stage of workshops are complete and updates to the Waste Management and Minimisation Plan are underway.
15	Omarama Water Upgrade	Design of the treatment plant building and associated pipework is complete. Further works on hold pending resource availability.
16	Ohau Water Upgrade	On hold pending resource availability.
17	Wastewater Overflow Mitigation, Oamaru	Additional option assessment is underway for mitigation of reticulation and pump station wet weather overflows.
18	Holmes Wharf Deck Replacement	On hold pending resource availability.
19	Hampden On-Site Wastewater Management	On hold pending the Oamaru Wastewater Treatment Plant Capacity Assessment.

### 2.5. Financials

Oamaru water and sewer operational accounts are still tracking over budget. Officers are continuing to limit spending where possible (ie postponing non-essential works) however this is having limited improvement on account deficits. There will be an over spend in these accounts at the end of the financial year which will be funded from reserve accounts.

## 3. Property Manager's Update

### 3.1. Customer Service

Since the commencement of the 2016/17 financial year, Property achieved a 95% response rate to CRMs and a 100% resolution rate.

### 3.2. Operations

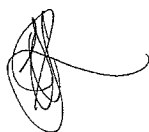
A number of renewal projects are underway:

- Community Housing Units - three in Palmerston, one in College St
- AIn Street residential housing
- Residential housing insulation

### 3.3. Projects

<b>Larger Projects (Prioritised)</b>		
1.	Court House	Budget of \$900,000 has been approved from the Oamaru Endowment fund. The building will be strengthened to Importance Level 3 (IL3) 100% NBS. Negotiations are being finalised.
2.	Harbour Visitor Accommodation	Expressions of Interest document being prepared for public applications.
3.	Zipline	Investigating options for leasing to bring back to Council for consideration.
4.	North Otago RSA	The methodology for the Local Bill process is being developed.
5.	Reserve land swaps	The reserve land swaps in the Harbour area have now been completed. This brings to an end a body of work spanning over many years.

6.	Oamaru Harbour review	Review underway on navigational safety, infrastructure and management.
7.	Land development and sales	Various sales and projects are underway and workshops/reports will be prepared to present to Council as required.
8.	Penguin Colony Stage 2	Confirmation from the builders that the construction should be finished by the end of May, however there may be some Penguin Colony fit-out works to be completed after this date.
9.	Property Debt Project	Report going to Council regarding Cirrus Place debt on 21 June 2017. Report to be developed for Council approval once other priorities have been completed.
10.	Airport development plan and district plan review	Report for Council on the plan for future development at the airport is on hold until other priorities are completed
11.	Options for Freezer Building	Met with Heritage NZ onsite to help determine options for the building. There has also been interest from the public in purchasing the building.
12.	Forrester Heights	This project is not being progressed until other priorities are completed.
13.	Harbour Development Strategy	The Harbour Committee has started work on reviewing the strategy.
14.	Community Housing Review	It is intended to review Community Housing once other priorities are completed
15.	Halls Review	Determining methodology.
16.	Reserve land rationalisation	Land ownership investigation commenced.



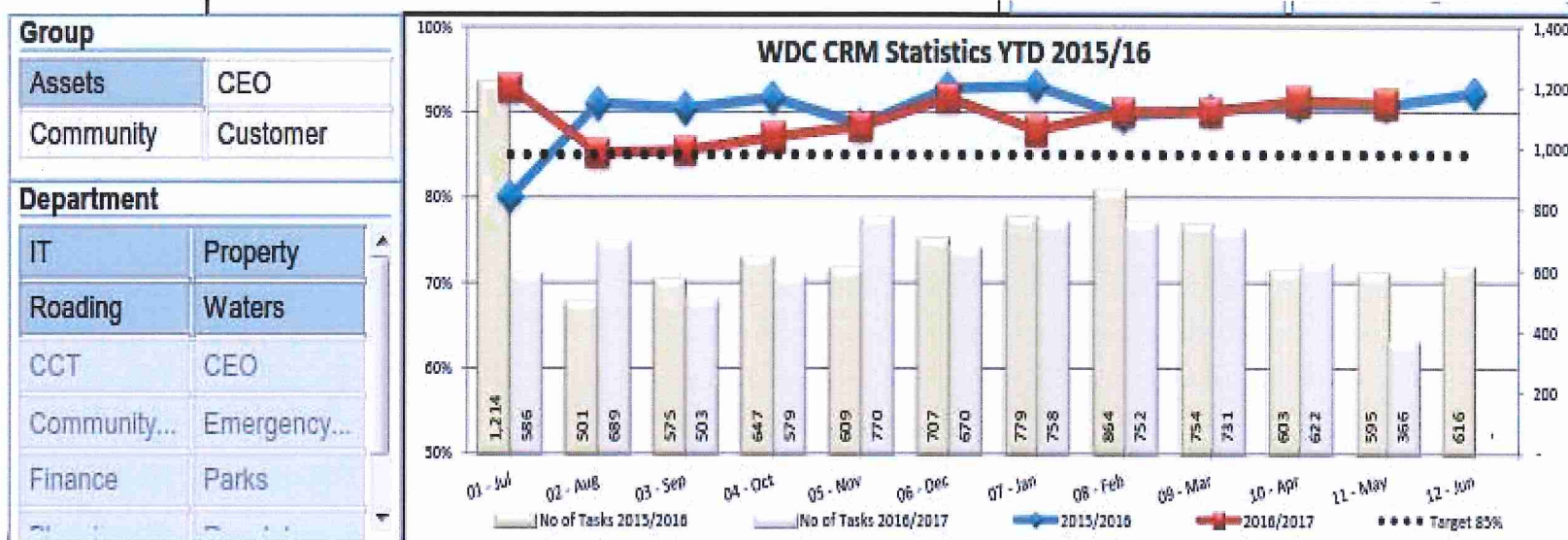
Neil Jorgensen  
**Assets Group Manager**

**Attachment**  
 CRM Report  
 Tenders recently let

**Tenders recently let**

No tenders have been let since the last Assets Group Activity Report

**CRM Reports**





### WDC CRM Statistics for YTD 2016/17 as at: Thu - 18 May 2017 - 1:53 PM

KEY: Under = Closed Before Due Date, Over = Closed After Due Date, No Due = No Due Date

Respond		Assets		Community		Customer		CEO		Total Tasks	Total %
Status	Tasks	%	Tasks	%	Tasks	%	Tasks	%			
Under	3,142	87%	823	84%	617	74%	237	86%	4,819	85%	
Over	450	12%	149	15%	218	26%	37	14%	854	15%	
<b>Overdue</b>	<b>2</b>	<b>0%</b>	<b>2</b>	<b>0%</b>	<b>1</b>	<b>0%</b>		<b>-</b>	<b>5</b>	<b>0%</b>	
<b>Open</b>	<b>9</b>	<b>0%</b>		<b>-</b>	<b>2</b>	<b>0%</b>		<b>-</b>	<b>11</b>	<b>0%</b>	
No Due		-		-		-		-		-	
<b>Total</b>	<b>3,603</b>	<b>100%</b>	<b>974</b>	<b>100%</b>	<b>838</b>	<b>100%</b>	<b>274</b>	<b>100%</b>	<b>5,689</b>	<b>100%</b>	

Success Rate	Assets	Community	Customer	CEO	Total
	87%	84%	74%	86%	85%
Waters	83%	Parks  85%	Regulator  74%	Finance  86%	
Roading	94%	Communi  50%	Planning  76%	CEO  100%	
Property	95%		Emergenc  -		
IT	78%		CCT  100%		

Resolve		Assets		Community		Customer		CEO		Total Tasks	Total %
Status	Tasks	%	Tasks	%	Tasks	%	Tasks	%			
Under	3,118	90%	531	57%	1,451	90%	359	92%	5,459	85%	
Over	307	9%	351	38%	133	8%	28	7%	819	13%	
<b>Overdue</b>	<b>6</b>	<b>0%</b>	<b>26</b>	<b>3%</b>	<b>9</b>	<b>1%</b>	<b>1</b>	<b>0%</b>	<b>42</b>	<b>1%</b>	
<b>Open</b>	<b>37</b>	<b>1%</b>	<b>23</b>	<b>2%</b>	<b>20</b>	<b>1%</b>	<b>3</b>	<b>1%</b>	<b>83</b>	<b>1%</b>	
No Due		-		-		-		-		-	
<b>Total</b>	<b>3,468</b>	<b>100%</b>	<b>931</b>	<b>100%</b>	<b>1,613</b>	<b>100%</b>	<b>391</b>	<b>100%</b>	<b>6,403</b>	<b>100%</b>	

Success Rate	Assets	Community	Customer	CEO	Total
	91%	58%	91%	93%	86%
Waters	90%	Parks  58%	Regulator  91%	Finance  93%	
Roading	91%	Communi  100%	Planning  92%	CEO  -	
Property	100%		CCT  50%		
IT	92%		Emergenc  100%		